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NEA FOR FRONT OFFICE, NSC FOR ABRAMS/DORAN/MUSTAFA

E.O. 12958: DECL: 02/28/2016
TAGS: PREL PGOV KPAL IS
SUBJECT: A/S WELCH 2/25 MEEETING WITH SA'EB EREKAT

Classified By: Consul General Jake Walles, per reasons 1.4 (b) and (d)

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¶1. (C) Summary: During a February 25 meeting in Ramallah, PLO chief negotiator Sa'eb Erekat told visiting NEA A/S Welch that Fatah would not join a Hamas government unless Hamas agreed to President Abbas, platform of peaceful negotiations. The Hamas cabinet would therefore likely consist of Hamas, the PFLP, and some independents. He said a unilateral GOI withdrawal from some portion of the West Bank would allow Hamas to claim another victory for resistance; a better course of action would be to negotiate a permanent status agreement with President Abbas and put it to the Palestinian people in a referendum. He urged the U.S. to find ways to continue helping the Palestinian people, including assistance to PA agencies falling outside of the cabinet's control, and to schools. End summary.

¶2. (C) A/S Welch was accompanied by Consul General, USSC General Dayton, NEA Special Advisor Helal, and DPO. Erekat was joined by his NSU staff.

¶3. (C) On government formation, Erekat dismissed the possibility that Fatah would join a Hamas-led government: &The talks are going nowhere.⁸ The cabinet would consist of Hamas and the PFLP, and possibly some independents such as former Culture Minister Ziad Abu Amr and PLC member Hasan Khreisheh. A/S Welch said the U.S. was making it clear to independents that they should stay out of any Hamas-led government (Comment: Welch delivered this message to Mustafa Barghouti later in the day; Barghouti won a seat in the PLC as head of his tiny &National Initiative⁸ party and held talks with Hamas last week. End comment.) Once Hamas takes over the cabinet, it will face a dire economic situation and will likely fail to function, Erekat predicted. A/S Welch, noting he had just visited Saudi Arabia and the UAE with the Secretary, said the Gulf states, including Iran, would be

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unlikely to make up the financial shortfall.

¶4. (C) Erekat said the GOI would make a serious mistake if it continued its unilateral policy: If it withdrew from 50-60% of the West Bank, Hamas would claim the move as a victory for resistance, as it did after Gaza disengagement. In Erekat's view, the GOI should enter permanent status talks with PA President (and PLO chief) Abbas; any agreement could then be put to the Palestinian people in a referendum. Erekat criticized GOI measures restricting movement of Palestinians in the Jordan Valley, saying they were impacting agriculture, health and education.

¶5. (C) He urged the U.S. to continue development assistance to the Palestinian people, observing that other donors would follow the U.S. lead. Cutting off assistance would backfire.

Erekat suggested a case-by-case approach that would allow assistance to continue flowing PA entities that are independent of the cabinet (e.g., the judiciary, the governorates, the Palestinian Monetary Authority, the Central Elections Commission). He urged that assistance continue to schools on a case-by-case basis as well, pointing out that a USAID-funded school in the village of Jiflik in the Jericho Governorate is in Area C and is licensed by the GOI to operate. The Consul General noted that it would be necessary to ensure that there would be no Hamas influence in such cases. Erekat agreed, and said the main point is to demonstrate that the U.S. and western donors have no quarrel with the Palestinian people.

¶6. (C) A/S Welch cleared this cable.

WALLES